



Department of the Army Preparing for Retirement Seminar

6 February 2013

Army G-1 Retirement Services Office





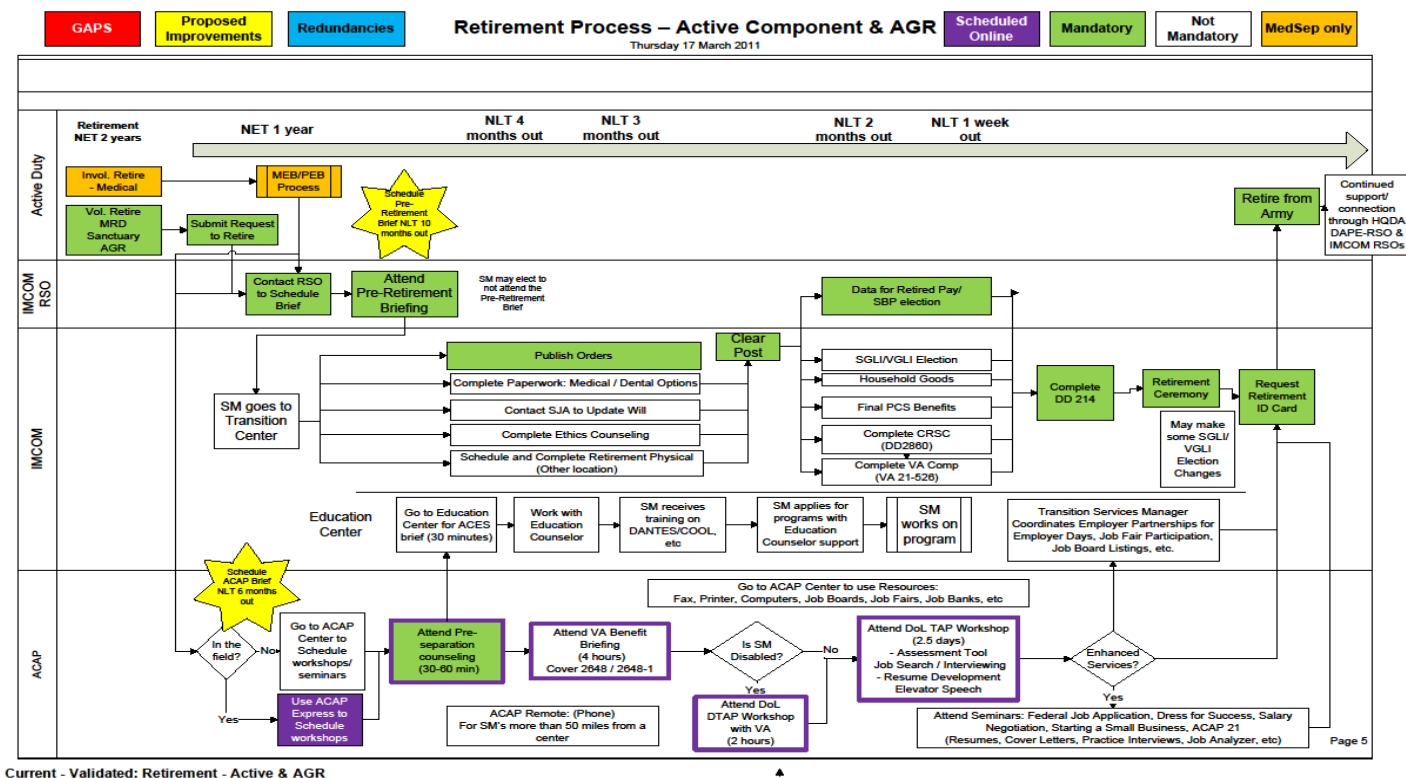
Purpose

To provide an overview of the planning needed to prepare for retirement.

NOTE: This briefing is not designed to replace the Army Pre-Retirement Briefing provided by Retirement Services Officers!



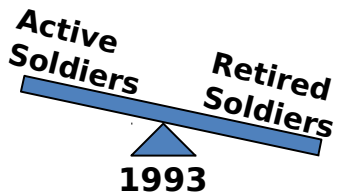
Retirement is a Process, NOT an Event!





Population Served -- Growing

<u>Year</u>	<u>Active Soldiers</u>	<u>Retired Soldiers</u>
1920	204,000	6,000
1950	593,000	42,000
1960	873,000	102,000
1970	1,323,000	282,000
1980	777,000	425,000
1990	732,000	489,000
2000	482,000	526,000
2010	562,000	847,000



In FY11, the Army paid \$17.1 Billion in retired and annuity pay to Retired Soldiers and surviving spouses





Army Retirement Services

An Army Program Since 1955

**Retirement is a Process;
NOT an Event!**

About 28,000 Soldiers retire each year

2013 Population Served	Active Army	ARNG	USAR	Retired Soldiers	Surviving Spouses	Total
	546,057	358,078	201,166	865,117	237,207	2.21M

Pre-Retirement Policy Post-Retirement Policy

- | | |
|---|---|
| <ul style="list-style-type: none"> • 120 Retirement Services Officers • USAR/ARNG Initiatives • Active Duty Death SBP • MyArmyBenefits Website • Pre-Retirement Counseling • SBP/RCSBP Counseling • Retiring Soldier Commendation Program • SBP Counselor Certification | <ul style="list-style-type: none"> • Lifetime benefits advice & support • Survivor Benefit Plan (SBP) • Annuity for Certain Military Surviving Spouses • Army Echoes Newsletter • CSA & Installation Retiree Councils • Retiree Appreciation Days • Strategic communications & websites • AAFES/DeCA/AFRH Advisory Boards • Army Family Action Plan GOSC |
|---|---|

AR 600-8-7 - "Retirement Services Program"

<http://www.armyg1.army.mil/retire>





Throughout Your Retirement Planning

- Gather and study information needed to make critical retirement decisions
- Discuss the information with your family



Retirement Planning Step 1

Submit for Retirement



Applying for Active Duty Length of Service Retirement

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- **How**

- Officer - Chapter 6, AR 600-8-24, dated 12 April 2006
- Enlisted - Chapter 12, AR 635-200, dated 6 Jun 2005

- **When**

- Maximum: 12 months before desired retirement date
- Minimum: All Officers – 9 months before start date of transition leave

Enlisted – 9 months before retirement date

NOTE: Recommend 12-month lead time for smoother transition

- **Where**

- General Officers: Notify GOMO, (703) 697-7994/9466, DSN 227
- COL & LTC (P): Notify Senior Leader Division (SLD), (703) 697-4995, DSN 227
- All others: Local Military Personnel Office





Other Retirement Considerations

Retirement date

- 1st day of the month if for length-of-service
- any date for disability retirement

Active Duty Service Obligation

In lieu of PCS

- apply within 30 calendar days of alert for a retirement date no more than 6 months from the date of the PCS alert or the first day of the month after the officer attains 20 years AFS, whichever is later.

Reassigned on a PCS

- must wait 1 year to retire (AR 350-100)

Retiring on same day as AD pay raise (*final pay only*)



Non-Regular Retirement Eligibility & Transfer to Retired Reserve

- **Acquire the minimum qualifying years**
 - 20 years for normal retirement; 15 years for a medical retirement
 - 6 or 8 year rule might apply:
 - NOE prior to 5 Oct 94? Serve last 8 years in RC
 - NOE 5 Oct 94 to 24 Apr 05? Serve last 6 years in a RC
 - NOE 25 Apr 05 and later? No RC service requirement
- **Applying to Transfer to Retired Reserve (Gray Area)**
 - TPU member under age 60: Submit DA 4651 to HRC & follow local USAR unit checklist
 - IRR, AGR or age 60+: Submit DA 4651 to HRC





Nonregular Retirement Facts

- **Points = Retired Pay;** verify yours are correct NOW!
 - USAR: ARPC 249-E
 - NG: NGB 23
- **Retired Pay before 60?** For RC Soldiers who executed qualifying orders on or after 29 JAN 08, federal law reduces their retirement age 90 days for each 90-day increment on the qualifying orders. The 90 days do not have to be continuous, but CANNOT cross fiscal year boundaries. The maximum reduction is to age 50.
- **When to Apply for Retirement:** NET than 9 months and NLT than 90 days prior to the date retired pay is to start (usually your 60th birthday.) *HRC mails*





RC Retirement Services Support Structure

Army Reserve: Two RSOs per Regional Support Command (see <http://www.armyg1.army.mil/RSO/rngr.asp>)

National Guard: One RSO or Retirement Points Account Manager per State (see <http://myarmybenefits.us.army.mil> then Benefit Library, then Resource Locator, then choose a state and look for National Guard RSO)





Retirement Planning Step 2

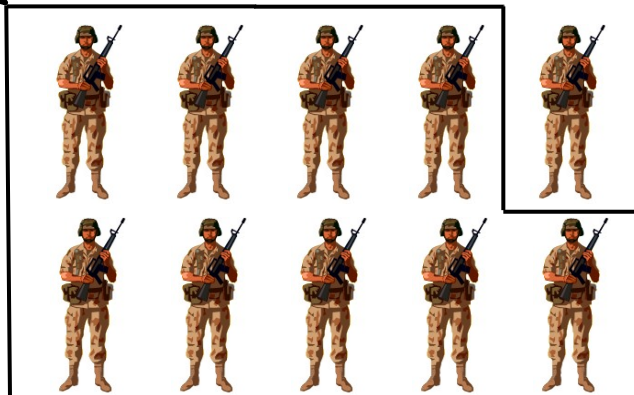
Contact your Retirement
Services Officer and attend a
Pre-Retirement Briefing

NOTE: You may attend the preretirement briefing at any time –
including before you apply for retirement



What Recently Retired Soldiers Said You Should Know About Retiring*

88% would advise other Soldiers to attend a Pre-Retirement Brief



76% of those who did not attend said their retirement negatively affected their perception of the

Army

The majority recommend attending 10 months before retiring



Pre-Retirement Briefing Topics

- RSO Program
- Retired Pay & Taxes
- Cost of Living Allowances
- Transition Leave & PTDY
- Uniformed Services Former Spouses' Protection Act (USFSPA)
- SGLI → VGLI
- Shipment of Household Goods
- Post-Service Employment and Ethics
- Space-A Travel
- ID Cards
- Combat-Related Special Compensation
- Concurrent Retirement and Disability Pay
- Retiree Mobilization
- Survivor Benefit Plan (Separate Brief)
- MyArmyBenefits
- Visit websites for complete information on TRICARE, VA Benefits, and Social Security



Calculate Your Retired Pay in 3 Steps

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Step 1: Determine your DIEMS date (Date of Initial Entry into Military Service)

Step 2: Determine which pay plan you are eligible for based on your DIEMS date

Step 3: Use the appropriate formula to calculate your retired pay

Note: To validate your DIEMS date go to:
https://www.erec.army.mil/DIEMS/diems_home.htm





Final Basic Pay Plan

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(DIEMS Pre 8 Sep 80)

RETIRED PAY = (Years of creditable service X 2-1/2%) X Final Basic Pay

Commissioned service requirement

Time-in-grade requirement

Percentage multipliers can now exceed 100%

Full COLAs

Years of service				20	21	22	23	24	25	26
27	28	29	30 thru 40	50	52.5	55	57.5	60	62.6	65
67.5	70	72.5	75 - 100							

Or just go to **<http://myarmybenefits.us.army.mil>**
for your personal retirement calculation





High-36 Pay Plan

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(DIEMS between 8 Sep 80 and 31 Jul 86 and DIEMS on or post 1 Aug 86)

RETIRED PAY = (Years of creditable service x 2-1/2%) x average of highest 36 months basic pay

Typically an average of the last 36 months

Commissioned service requirement

Percentage multipliers can now exceed 100%

Full COLAs

Years of service		20	21	22	23	24	25	26	27
28	29	30 thru 40							
High-3 Multiplier %		50	52.5	55	57.5	60	62.6	65	67.5
70	72.5	75 - 100							

Or just go to **<http://myarmybenefits.us.army.mil>**
for your personal retirement calculation





High-36 or REDUX Plan

RETIREED PAY = (Years of Creditable service x 2-1/2/%) minus 1% for each year < 30 years x average of highest 36 months of basic pay

2% per yr thru 20 yrs; 3.5% from 20-30 yrs; 2.5% thereafter

\$30K Career Status Bonus (CSB) - 15th year

Percentage multipliers can now exceed 100%

COLA minus 1%; one-time catch-up COLA at 62; COLA minus 1%
after if you chose CSB payment

Years of service		20	21	22	23	24	25	26
27	28	29	30 thru 40					
REDUX Multiplier %		40	43.5	47	50.5	54	57.5	61
64.5	68	71.5	75 - 100					

High-3/Final Mult. % 50 52.5 55 57.5 60 62.5 65

67.5 70 72.5 75 - 100

for your personal retirement calculation





MyArmyBenefits

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The screenshot shows the MyArmyBenefits website interface. Callout 1 points to the 'Home' link in the top navigation bar. Callout 2 points to the 'Benefit Library' link. Callout 3 points to the 'Benefit Calculators' link. Callout 4 points to the 'Wounded Warriors' link in the 'SPECIAL MODULES' section. Callout 5 points to the 'NEED BENEFITS HELP?' link in the same section. The main content area features a large banner for 'CALCULATE YOUR SURVIVOR BENEFITS' and several news articles on the right side.

- Benefit Library
 - Federal Fact Sheets
 - State and Territory Benefits Fact Sheets
 - Resource Libraries
- Benefit Calculators
 - Retirement
 - Survivor Benefits
 - Deployment Calculator
- Benefits Help Desk Operations
- Wounded Warrior Special Module
 - Wounded Warrior / DRE Calculator
 - Sustaining Income Calculator
- Casualty Operations Special Module
 - Survivor Benefits Report

<http://myarmybenefits.us.army.mil>

Links directly to DEERS information through AKO Single Sign On Authentication. Content available in English and Spanish with click of button





Retirement Planning Step 3

Contact your Army Career and Alumni Program (ACAP) office for assistance in preparing for a career after military service





Army Career and Alumni Program (ACAP)

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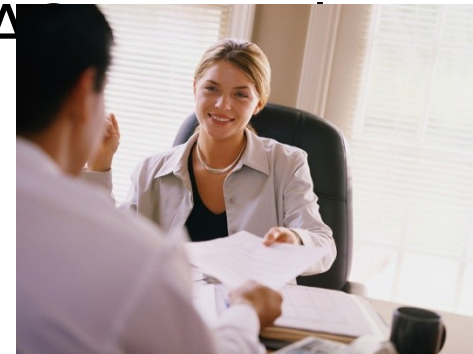
You may initiate the ACAP process 24 months before retirement.

You **MUST** complete the mandatory Pre-Separation Counseling at least 12 months prior to your effective retirement date.

Benefit for retirees – eligible for A on a space-available basis for life

Consists of:

- Pre-separation counseling
- Job assistance workshops
- Individual counseling
- Job search resources



ACAP Home Page: <http://www.acap.army.mil>



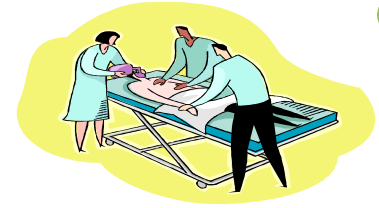


Retirement Planning Step 4

Schedule your
retirement physical



Retirement Physical



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Army requires a retirement physical

No more than 4 months, no less than 1 month,
before

retirement or start of transition leave

Your last record of active duty health

Assists with claim for VA service-connected
disability

NOTE: Use the results of your retirement physical to apply for VA disability benefits under the Benefits Delivery at Discharge (BDD) Program while you are still on active duty. VA goal is to start disability payments within 60 -120 days of retirement. Visit the VA web site at **<http://www.va.gov>** or call 1-800-827-1000





TRICARE--An Overview

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- When On Active Duty:
 - you are enrolled in TRICARE Prime and pay no fees
 - your family members pay no enrollment fees, but must choose a TRICARE option and apply for enrollment in TRICARE Prime
- When Retired: You and your family have 4 choices for health care --
 - **TRICARE Prime** -- MTFs are principal source of health care
 - ❖ fee is \$538.56 per family or \$269.28 per individual (annually)
 - **TRICARE Extra** -- the “preferred provider” option
 - ❖ no enrollment fee, but deductible and co-payments apply
 - **TRICARE Standard** -- “fee-for-service” option
 - ❖ no enrollment fee, but deductible and co-payments
 - **TRICARE Young Adult** -- for children between 23 and 26
 - ❖ Not subsidized by the Federal Government
 - See your nearest TRICARE Health Benefits Advisor for more details

Detailed TRICARE information available at <http://www.tricare.mil>





TRICARE Retiree Dental Plan

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Who Is Eligible:

- Retirees of any age
- Gray Area Reserve retirees, not yet age 60
- Spouses, unremarried surviving spouses, and eligible children of both
- groups

Where Available:

U.S., Puerto Rico, Canada, U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and Overseas TRDP

Cost:

Dependent on location; monthly rates \$25-\$120

Costs borne by participant; no government subsidy

Must enroll within 120 days after retirement to skip the 12-month waiting period

<http://www.DDPdelta.org>

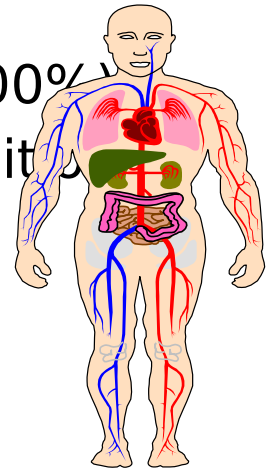




VA Compensation for Service-Connected Disability

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- **VA rates disabilities 0% - 100%**
 - Each % has an assigned dollar amount
 - 2013 basic rates: from \$129 (10%) to \$2816 (100%)
 - Free VA medical care for service-connected conditions
- **Monthly payments**
 - Begin at 10% (CAN be 0% disabled)
 - Tax-free
 - 30% & higher = Extra dependent allowance
 - *For retirees <50% disabled*, offsets military retired pay \$ for \$
- **Combat Related Special Compensation**
(<https://www.hrc.army.mil/TAGD/CRSC>)
- **Concurrent Retirement and Disability Pay**
(<http://www.dfas.mil/retiredmilitary/disability/crdp.htm>)





CRSC & CRDP Comparison

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Combat-Related Special Compensation	Concurrent Retired and Disability Pay
Must apply to HRC	No application: DFAS & VA bump files
10%-100% disability rating	50%-100% disability rating
Not taxable; not divisible in divorce	Taxable; divisible in divorce
Combat-related disabilities • Armed conflict (e.g. Purple Heart) • Simulated combat (e.g. FTX) • Hazardous service (e.g. parachute duty) • Instrumentalities of war (e.g. combat vehicles, Agent Orange)	Service-connected disabilities Retired pay is restored 10-year phase-in, 2005 - 2014





Post 9/11 GI Bill Transferability

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- A member on/after 1 AUG 09, who is eligible for the Post-9/11 GI Bill, and
 - Has >6 yrs of service on the date of election and agrees to serve 4 more years from the date of election, or
 - Has >10 yrs of service on the date of election, is precluded by policy or law from committing to 4 more years, and agrees to serve for the maximum time allowed by such policy or law.
- Active duty members anticipating at least a 20% service-connected disability rating, should first determine benefits entitled to under the Vocational Rehabilitation and Employment VetSuccess Program (Chapter 31)

DOD:

http://www.defense.gov/home/features/2009/0409_gibill/

VA: <http://www.gibill.va.gov/>

VA vocational and employment counseling 1-800-





VA Information Sources

Online:

- <http://www.va.gov>
- <https://www.ebenefits.va.gov/ebenefits-portal/ebenefits.portal>
- Send e-mail inquiries
- Download forms
- Get benefits information
- Apply for benefits



By Phone:

- Benefits: 1-800-827-1000
- Education: 1-888-GIBILL-1
- VA Life Insurance: 1-800-697-6947
- SGLI/VGLI: 1-800-419-1473
- TDD: 1-800-829-4833

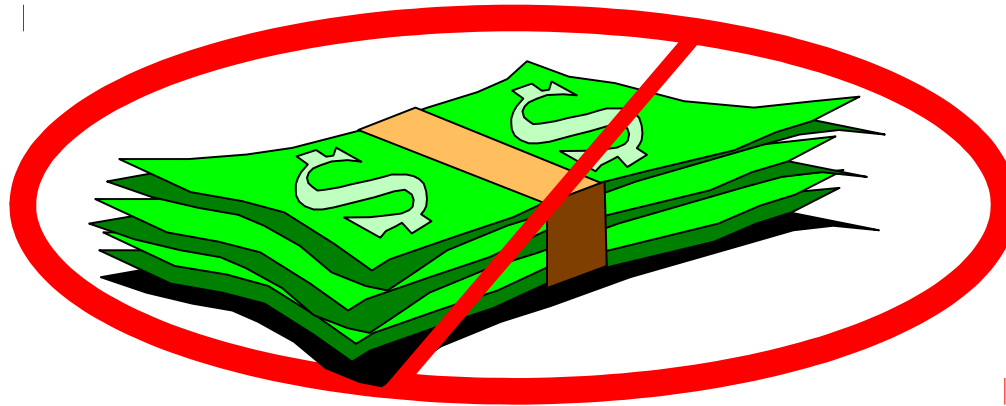


In-Person:

- *County VA Director (blue pages of phone book)*



RETIRED PAY STOPS



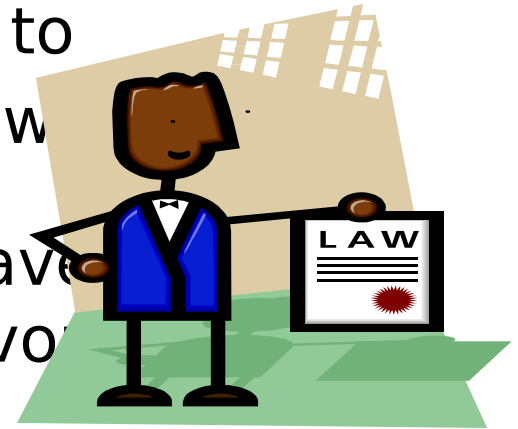
WITH THE DEATH
OF THE RETIRED SOLDIER
UNLESS YOU ELECT THE
SURVIVOR BENEFIT PLAN!



What is the Survivor Benefit Plan?

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- A **LAW** enacted by Congress in 1972 to solve concerns about “destitute widow
- Sole means for Retired Soldiers to leave a portion of their retired pay to survivor
- The Federal Government pays the premiums while on active duty
- Decision at retirement -- begin to share cost



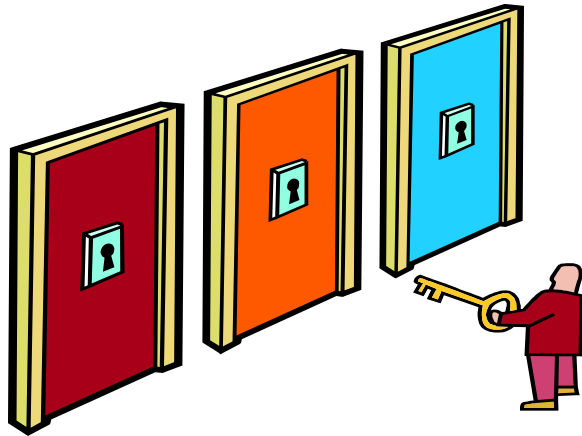
In **FY11, 85% of retiring Soldiers took SBP**





SBP

Elections . . .



- Must be made **before** retirement
- Are generally irrevocable, but **may** be cancelled with spouse's concurrence between months 25-36 following retirement
- Spouse concurrence is required **by law** if Soldier elects less than maximum SBP coverage for his/her spouse

Six Election Categories

- Spouse Only
- Spouse & Children
- Children Only
- Former Spouse Only
- Former Spouse & Children
- Insurable Interest



SBP Positives

- Survivors receive 55% of your retired
- Spouses cannot outlive the annuity
- Government pays 50% of the premiums
- The annuity grows with inflation (COLA)
- Premiums are paid before retired pay taxes are calculated
- Age, health, smoking, sex, lifestyle -- not considered
- Flexible: can terminate between retirement years 2-3
- "Paid-up" after 30 years paying premiums + age 70
- Cost in today's dollars; benefit in tomorrow's dollars





Echoes

1
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- Official Army newsletter for Retired Soldiers and their Families
- 3 issues/year: JAN, MAY, SEP
- Mailed to **978K** readers at \$0.35/read
- Emailed to **62K** readers at \$0/read
- Android, iPhone, and iPad apps are
- Sign up for e-Echoes at http://www.armyg1.army.mil/rso/echoes_reg.asp. All retiring Soldiers **must** sign up for e-Echoes during out processing; no longer eligible for the hard copy edition





Retirement Services Officers (RSO)

- Every retiring/Retired Soldier and Family **WORLDWIDE** is supported by an RSO who will answer questions one-on-one
- Every RSO gives pre-retirement briefings – dates for group briefings are on their homepages

Joint Base Myer-Henderson Hall Pre-Retirement Briefing held the first Tuesday of each month in Town Hall (Bldg 243), 0800-1200. RSO contact information 703-696-5948, email usarmy.jbmhh.asa.mbx.hrd-rso@mail.mil

Fort Belvoir Pre-Retirement Briefing held bi-monthly (every second Wednesday) at the Barden Education Center (Bldg 1017), 0800-1200. RSO contact information 703-806-4551, email gwendolyn.s.lott.civ@mail.mil

Fort Meade Pre-Retirement Briefing held the 3rd or 4th Friday each month (check website, reservations required) at Smallwood Hall. RSO contact information (301) 677-9600, email MeadeRSO@mail.mil





Where Do You Find Retirement Information?

- Army G-1 Retirement Services Office Homepage
<http://www.armyg1.army.mil/retire>
 - DA Pre-Retirement Counseling Guide
 - USAR & ARNG Non-Regular Retirement Guides
 - DA Survivor Benefit Plan (RCSBP) Briefing
- MyArmyBenefits at **<http://myarmybenefits.us.army.mil/>**
- Army Installation Retirement Services Officers (RSOs)
<http://www.armyg1.army.mil/rso/rso.asp>
- HRC Reserve Retirement Services
<https://www.hrc.army.mil/TAGD/Reserve%20Retirement%20Services>
- USAR Regional Support Command RSOs listed at:
<http://www.armyg1.army.mil/rso/rngr.asp>
- State RSOs can assist National Guard Soldiers





For more information

Army

<http://www.armyg1.army.mil/retire>

Air Force

<http://www.retirees.af.mil/>

Navy

[http://www.public.navy.mil/bupers-npc/support/retired_activities/ Pages/default.aspx](http://www.public.navy.mil/bupers-npc/support/retired_activities/Pages/default.aspx)

Marine Corps

https://www.manpower.usmc.mil/portal/page/portal/M_RA_HOME/MM/SR

Coast Guard

<http://www.uscg.mil/ppc/ras/>





Thank you for your service!!

QUESTIONS?_





Requesting MMPAs from DFAS

Soldiers who need supporting documentation for duty performed can request their Master Military Pay Account (MMPA) print outs from DFAS. Requests can be emailed (best method), faxed, or snail mailed:

Email: ampo-verify-les@dfas.mil

Fax: (317) 275-0123

Mailing Address:

DFAS Indianapolis

Army Military Pay Operations

Verifications Section – LES team

8899 E. 56th St

Indianapolis, IN 46235





Early Age Reduced Retirement

NON-REGULAR RETIREMENT AT AGE 60 VS. EARLY RET AGE	RETIRED PAY CHECK	TRICARE BENEFITS	RCSBP OPTION A: ELECTION & COVERAGE	RCSBP OPTION B (DEFERRED ANNUITY)	RCSBP OPTION C
NON-REGULAR RETIREMENT AT AGE 60	BEGIN DRAWING RETIRED PAY AT AGE 60.	AT AGE 60, WILL QUALIFY FOR STANDARD, EXTRA. NO ENROLLMENT COSTS.	NO ANNUITY PAID UNLESS THE SM ELECTS SBP. AT AGE 60 (OR LATER IF MRD EXTENSION), MAKE AN SBP ELECTION. IF CHOOSE SBP, THEN SBP COVERAGE AND ANNUITY PAID TO ELIGIBLE BENEFICIARY ANY TIME ON OR AFTER AGE 60, EFFECTIVE WITH RETIREMENT DATE.	ANNUITY PAID TO ELIGIBLE BENEFICIARY WHEN THE SM WOULD HAVE TURN AGE 60. <i>*The RCSBP election becomes the SBP election upon receiving retired pay...</i>	ANNUITY PAID TO ELIGIBLE BENEFICIARY IMMEDIATELY. <i>*The RCSBP election becomes the SBP election upon receiving retired pay...</i>
EARLY RET AGE 'EARLY AGE DROP' (NDAA 2008)	CAN DRAW RETIRED PAY PRE-AGE 60, BUT NO YOUNGER THAN AGE 50. EACH ACTIVE DUTY QUALIFYING PERIOD OF 90 DAYS WITHIN A FISCAL YEAR, COUNTS TOWARDS DRAWING RETIRED PAY 90 DAYS BEFORE AGE 60.	WON'T QUALIFY FOR TRICARE STANDARD, EXTRA OR PRIME (IF AVAILABLE) UNTIL AGE 60. <i>CAN PURCHASE TRR (TRICARE RETIRED RESERVE) UNTIL AGE 60. 2012 TRR COST: \$1,024 PER MONTH FOR MEMBER & FAMILY. MEMBER ONLY: \$419 PER MONTH. 2013 MONTHLY COSTS: \$969 MEMBER & FAMILY; \$402 MEMBER ONLY</i>	DO NOT HAVE TO WAIT UNTIL AGE 60 FOR COVERAGE. CAN MAKE AN SBP ELECTION WHEN APPLYING FOR RETIRED PAY. COVERAGE AND ANNUITY PAYMENTS COULD BEGIN IMMEDIATELY PRE-AGE 60 BUT NO EARLIER THAN AGE 50 OF THE SM.	SBP COVERAGE IS IN EFFECT WHEN RETIRED PAY STARTS. HOWEVER, IF SERVICE MEMBER PASSES BEFORE AGE 60, BY LAW, SURVIVORS MUST WAIT UNTIL SM WOULD HAVE TURNED AGE 60 BEFORE DRAWING AN ANNUITY.	IMMEDIATE ANNUITY PAYMENT MADE UNDER RCSBP AND SBP.





Apply for Non-Regular Retired Pay

When do you submit: Normally no earlier than 9 months and not later than 90 days prior to the date retired pay is to start (usually your 60th birthday)

What do I send to apply for retired pay?

- DD Form 108 (Application for Retired Pay)
- DD Form 2656 (Data for Retired Pay Benefits)
- SF 1199a (Direct Deposit Form)
- AHRC-249-E or NGB Form 23C (Retirement Point Statements for Retired Pay)
- Copy of your NOE (20 year or 15 year)
- DD Form 2656-5 RCSBP Election Certificate (if applicable)

What additional documentation should I send?

- Any forms showing changes to your RCSBP election
 - DD 2656-6, DD 2656-1, automatic election forms, divorce decrees, marriage certificates, birth certificates, adoption papers
- Documents to support reduced age retirement (if applicable)
 - DD 214s, DD 215s, DD 220, Mobilization Orders, LES
- Orders showing highest grade/rank held and administrative



Apply for Non-Regular Retired Pay (cont)

Must apply for retired pay by submitting an application to:

HUMAN RESOURCES CENTER OF EXCELLENCE (ATTN:
AHRC-PDP-TR)
1600 SPEARHEAD DIVISION AVENUE
DEPT 482
FT. KNOX, KY 40122-5402

Note: Reserve retirement eligible Soldiers are mailed an application packet during the month prior to their 59th birthday. It is your responsibility to make sure HRC has your

